

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2020-208-C - ORDER NO. 2020-747
DECEMBER 30, 2020

IN RE: Application of Palmetto Telephone) ORDER EXPANDING
Communications, LLC to Expand) DESIGNATION OF
Designation as an Eligible) ELIGIBLE
Telecommunications Carrier (Lifeline) TELECOMMUNICATIONS
Only) to Include St. George Exchange (See) CARRIER AUTHORITY FOR
Docket No. 2012-236-C)) THE PROVISION OF
) LIFELINE SERVICE

This matter comes before the Public Service Commission of South Carolina (the "Commission"), pursuant to Section 214(e)(2) of the Communications Act of 1934,¹ as amended (the "Act"), upon the above captioned Application of Palmetto Telephone Communications, LLC ("Palmetto" or "the Company") to Expand Designation as an Eligible Telecommunications Carrier ("ETC") to include the St. George exchange (the "Designated Service Area"). Palmetto is seeking only low income (Lifeline) support and is not requesting high cost support. Palmetto previously was designated as an ETC within the Walterboro and Yemassee exchanges for these purposes. See Order No. 2012- 739.

For the reasons explained in this Order, the Commission has concluded that the Application should be approved and that designation of Palmetto as an ETC in the St. George exchange for purpose of receiving federal Lifeline support on the terms described in this Order would serve the public interest.

¹ 47 U.S.C § 214(e)(2) (West).

Background

The present proposal to designate Palmetto as an ETC in the St. George exchange is presented to the Commission on the Application and verified testimony of Jason J. Dandridge on behalf of Palmetto. The Applicant in this matter was represented by M. John Bowen, Jr., Esquire, and Margaret M. Fox, Esquire. The Office of Regulatory Staff ("ORS") was represented by C. Lessie Hammonds, Esquire.

As directed by the Commission, notice of the filing of the Application was published and proof of publication provided to the Commission on September 28, 2020. No petitions to intervene were filed in this matter. Pursuant to S.C. Code Ann. § 58-4-10(B) (Supp. 2019), ORS is a party of record in this proceeding.

On October 21, 2020, Palmetto filed a Motion for Expedited Review, requesting that the Commission grant expedited consideration of the Application and approve the Application. Palmetto represented in its Motion that its counsel had consulted with counsel for ORS, and that ORS had no objection to the Motion. Having considered the record before it, the Commission finds that the record is sufficient to make a formal determination in this matter and that the interests of judicial economy are served by waiving the hearing and granting expedited review. We note that all interested parties have had an opportunity to intervene and to be heard in this matter.

Analysis

Section 214(e)(2) of the United States Code of the Federal Telecommunications Act ("Federal Act") gives the states the primary responsibility for granting ETC status

provided the carrier meets the requirements of Section 214(e)(1).² This section of the Federal Act provides further: "Upon request and consistent with the public interest, convenience, and necessity, the State commission ... shall, [in the case of areas not served by a rural telephone company], designate more than one common carrier as an eligible telecommunications carrier for a service area designated by the State commission, so long as each additional requesting carrier meets the requirements [set forth in Section 214(e)(1) for the ETC designated area]."³ Section 214(e)(1) provides:

(1) Eligible telecommunications carriers

A common carrier designated as an eligible telecommunications carrier under paragraph (2), (3), or (6) shall be eligible to receive universal service support in accordance with section 254 of this title and shall, throughout the service area for which the designation is received--

(A) offer the services that are supported by Federal universal service support mechanisms under section 254(c) of this title, either using its own facilities or a combination of its own facilities and resale of another carrier's services (including the services offered by another eligible telecommunications carrier); and

(B) advertise the availability of such services and the charges therefor using media of general distribution.

47 U.S.C.A. § 214(e)(1) (West). Upon designation as an ETC, the carrier shall be eligible to receive universal service support in accordance with Section 254 of the Act.⁴

The services to be supported by the USF under Section 254(a) are as follows:

(a) Services designated for support. Voice telephony services and broadband service shall be supported by federal universal service support mechanisms.

(1) Eligible voice telephony services must provide voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; access to the emergency services provided by local government or other public

² 47 U.S.C. § 214(e)(2) (West).

³ *Id.*

⁴ 47 U.S.C. § 214(e)(1) (West).

safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and toll limitation services to qualifying low-income consumers as provided in subpart E of this part.

(2) Eligible broadband Internet access services must provide the capability to transmit data to and receive data by wire or radio from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up service.

(b) An eligible telecommunications carrier eligible to receive high-cost support must offer voice telephony service as set forth in paragraph (a)(1) of this section in order to receive federal universal service support.

(c) An eligible telecommunications carrier (ETC) subject to a high-cost public interest obligation to offer broadband Internet access services and not receiving Phase I frozen high-cost support must offer broadband services as set forth in paragraph (a)(2) of this section within the areas where it receives high-cost support consistent with the obligations set forth in this part and subparts D, K, L and M of this part.

(d) Any ETC must comply with subpart E of this part.

47 C.F.R. § 54.101.

The incumbent local exchange carrier (“ILEC”) that serves the St. George exchange is BellSouth Telecommunications, LLC d/b/a AT&T South Carolina (“AT&T”). AT&T is not a rural telephone company⁵ and, therefore, the St. George exchange is not an area served by a rural telephone company.

Section 103-690 of S.C. Code Ann. Regs. provides that the Commission will fulfill its responsibility to designate common carriers as ETCs and establishes the requirements that an applicant must meet in order to be designated an ETC.

We previously found, and conclude now, that Palmetto satisfies all the relevant requirements for designation as an ETC specified in Sections 254 and 214 of the Act and

⁵ See 47 U.S. C. § 153(37) (West) (definition of rural telephone company).

Section 103-690 of S.C. Code Ann. Regs., and that it was in the public interest to grant Palmetto ETC designation in the Walterboro and Yemassee exchanges for the purpose of receiving federal low-income (Lifeline) universal service support. *See* Order No. 2012-739 at pp. 3, 5. Further, we now find and conclude that Palmetto satisfies these requirements, and it is in the public interest to expand Palmetto's ETC designation to include the St. George exchange.

As demonstrated in the Application and testimony, Palmetto satisfies all the relevant requirements for designation as an ETC. Palmetto is (i) a common carrier as defined in the Act.⁶ Palmetto offers the supported services, *i.e.*, voice telephony and broadband services,⁷ using either its own facilities or a combination of its own facilities and resale of another carrier's services.⁸

Palmetto has committed that, upon designation as an ETC, the Company will participate in, and offer, Lifeline service to qualifying low-income consumers and will publicize the availability of Lifeline service in a manner reasonably designed to reach those likely to qualify for those services, as required by FCC rules.⁹ Palmetto will advertise the availability of and charges for Lifeline service in the Designated Service Area using media of general distribution, as required by FCC rules.

Likewise, Palmetto has committed to meeting the requirements of Commission Reg. 103-690. Palmetto commits to offer its services to customers making reasonable

⁶ *See* 47 U.S.C. § 153(10) (West).

⁷ 47 C.F.R. § 54.101(a) (West).

⁸ *See* 47 U.S.C. § 214(e)(1)(A) (West).

⁹ *See* 47 C.F.R. §§ 54.401-54.410; 54.405(b).

requests for such in accordance with the process set forth in Commission regulations.¹⁰ Palmetto included with its Application its Advertising and Outreach Plan for Lifeline Service.¹¹ Palmetto has demonstrated its ability to remain functional in emergency situations,¹² and will satisfy applicable consumer protection and quality standards.¹³ As a telephone utility regulated by the Commission, Palmetto is subject to and complies with all Commission regulations governing consumer protection and service quality standards.¹⁴

As demonstrated in its local tariff on file with the Commission, Palmetto meets the Commission's requirement that an ETC applicant demonstrate that it offers a local usage plan comparable to the one offered by the ILEC in the service areas for which it seeks designation.¹⁵ The Commission also requires ETC applicants to certify by affidavit signed by an officer of the company that:

(a) the carrier acknowledges that the Federal Communications Commission may require it to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the service area;¹⁶

(b) the company offers or will offer the supported services by using its own facilities or a combination of its own facilities and resale of another carrier's services;¹⁷ and

¹⁰ See R. 103-690(C)(a)(I)(A)(I)-(2) (2012).

¹¹ *Id.* The Commission's rule also references the Link Up program. The FCC eliminated support for Link Up services on non-Tribal lands for all ETCs, effective April 2, 2012. See Report and Order and Further Notice of Proposed Rulemaking, *In the Matter of Lifeline and Link Up Reform and Modernization*, FCC 12-1 I, WC Docket No. I 1-42, (rel. February 6, 2012) ("*Lifeline Reform Order*").

¹² See R. 103-690(C)(a)(2) (2012).

¹³ See R. 103-690(C)(a)(3) (2012).

¹⁴ See 47 U.S.C. 214(e)(2) (West).

¹⁵ R. 103-690(C)(a)(4) (2012).

¹⁶ R. 103-690(C)(a)(5) (2012).

¹⁷ R. 103-690(C)(a)(6) (2012).

(c) the company does or will advertise in a media of general distribution the availability of such services, including Lifeline services and the applicable charges.¹⁸

Palmetto has satisfied this requirement by filing the Affidavit of Jason J. Dandridge, President of Palmetto, making these certifications. *See* Exhibit 3 to Application.

Granting Palmetto's Application for designation as an ETC in the St. George exchange is consistent with the public interest, convenience, and necessity.¹⁹ Palmetto has requested designation and has limited its request for federal universal service support to the federal USF low-income support (Lifeline) program. Palmetto certifies that all low-income USF support it receives will be used to provide a credit to its Lifeline eligible customers, consistent with 47 C.F.R. § 54.403.

Considering all factors, the Commission concludes that it is in the public interest that the Commission grant an expansion of Palmetto's ETC designation to include the St. George exchange for the purpose of receiving federal low-income (Lifeline) universal service support.

IT IS THEREFORE ORDERED THAT:

1. The testimony is accepted into the record without objection.
2. The Applicant's Motion for Expedited Review is granted.
3. Palmetto Telephone Communications, LLC is hereby designated as an ETC in the St. George exchange for the purpose of receiving federal low-income (Lifeline) support as requested in the Application.

¹⁸ R. 103-690(C)(a)(7) (2012).

¹⁹ *See* 47 U.S.C. 214(e)(2) (West).

4. This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:



Justin T. Williams, Chairman
Public Service Commission
of South Carolina